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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

STEVEN M. CHECCHIA,

Plaintiff,

v.

AMERICAN FINANCIAL
NETWORK, INC.,

Defendant.

Case No. 8:23-cv-00311

COMPLAINT FOR DAMAGES

**1. VIOLATIONS OF THE CREDIT
REPAIR ORGANIZATIONS ACT, 15
U.S.C. §1679 ET SEQ.;**

**2. VIOLATIONS OF THE
PENNSYLVANIA UNFAIR TRADE
PRACTICES AND CONSUMER
PROTECTION LAW, 73 P.S. § 201-1
ET SEQ.**

DEMAND FOR JURY TRIAL

COMPLAINT

NOW comes STEVEN M. CHECCHIA (“Plaintiff”), by and through the undersigned, complaining as to the conduct of AMERICAN FINANCIAL NETWORK, INC. (“Defendant”) as follows:

NATURE OF THE ACTION

1 7. Defendant acted through its agents, employees, officers, members, directors,
2 heirs, successors, assigns, principals, trustees, sureties, subrogees, representatives
3 and insurers at all times relevant to the instant action.
4

5 **FACTS SUPPORTING CAUSES OF ACTION**

6 8. In approximately early 2020, Plaintiff was working with Defendant on
7 acquiring financing to purchase a home, but was having issues due to the nature of
8 his credit score and history.
9

10 9. As a result of these issues and to put Plaintiff in a better position to obtain
11 financing, Defendant referred Plaintiff to a “George Wisniewski,” aka “Hometown
12 Credit Repair” (“HCR”), and told Plaintiff that HCR would be able to improve his
13 credit so he could qualify for a home loan.
14

15 10. Desperate to improve his credit and qualify for a home, Plaintiff spoke with
16 HCR.
17

18 11. HCR shared an address with Defendant’s branch located in Folsom,
19 Pennsylvania.
20

21 12. When Plaintiff spoke with HCR, Mr. Wisniewski affirmatively represented
22 that he would be able to improve Plaintiff’s credit and that Plaintiff just had to make
23 a one-time payment of \$500.00.
24

25 13. HCR promised Plaintiff that through its services, Plaintiff would be able to
26 receive financing from Defendant.
27
28

1 14. Believing there to be a legitimate connection between Defendant and HCR,
2 and further believing that he would be able to qualify for a home after using HCR's
3 services, Plaintiff entered into a contract with HCR for the provision of credit repair
4 services.
5

6 15. Plaintiff made his upfront payment of \$500.00 to HCR, and HCR pulled
7 Plaintiff's credit and purportedly got to work attempting to improve his credit.
8

9 16. However, after HCR received Plaintiff's upfront payment, HCR failed to
10 perform any services to Plaintiff, deliver any improvement to Plaintiff's credit, and
11 failed to respond to Plaintiff's numerous requests for information or updates on what
12 HCR was doing for Plaintiff or how it was going to improve Plaintiff's credit score.
13

14 17. Essentially, HCR took Plaintiff's money and ran.
15

16 18. After not hearing anything from HCR or Mr. Wisniewski, Plaintiff spoke with
17 Defendant and asked what was going on.
18

19 19. Defendant once again put Plaintiff into contact with HCR and Mr.
20 Wisniewski, although HCR once again did not do anything for Plaintiff and berated
21 Plaintiff for attempting to follow up.
22

23 20. Upon information and belief, Defendant received a portion of the payment
24 Plaintiff made to HCR as a "kickback" for the referral of Plaintiff to HCR.
25

26 21. Upon further information and belief, Defendant received this compensation
27 from HCR despite knowing the extent to which HCR's services were unlikely to
28

1 result in significant improvement to Plaintiff's credit or otherwise qualify Plaintiff to
2 receive financing.

3
4 22. Defendant is both directly and indirectly involved in a fraudulent scheme
5 whereby Defendant and its affiliates seek to leverage the desperation of consumers
6 to receive home financing into agreeing to make exorbitant upfront payments for
7 "credit repair services," despite Defendant and its affiliates knowing the extent to
8 which the offered and represented services will not be delivered in the manner
9 represented, deliver the promised results, or otherwise result in receiving the
10 financing Defendant and its affiliates have represented would be forthcoming.

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13 23. Frustrated and distressed over Defendant's conduct, Plaintiff spoke with the
14 undersigned regarding his rights.

15
16 24. Plaintiff has suffered concrete harm as a result of Defendant's actions,
17 including but not limited to, emotional distress, aggravation, mental anguish,
18 pecuniary harm, making payments for deficient and nonexistent credit repair
19 services, relying upon Defendant's representations to his detriment, being subjected
20 to improper fees, as well as a violation of his federally protected interests to be free
21 from deceptive, misleading and fraudulent conduct on the part of credit repair
22 organizations.

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25 **COUNT I – VIOLATIONS OF THE CREDIT REPAIR ORGANIZATIONS ACT**

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27 25. Plaintiff repeats and realleges paragraphs 1 through 24 as though fully set forth
28 herein.

1 26.Plaintiff is a “consumer” as defined by 15 U.S.C. § 1679a(1) of the CROA.

2 27.HCR and Mr. Wisnewksi were, at all relevant times, a “credit repair
3 organization,” as defined by §1679a(3) of the CROA, as it is a person who uses any
4 instrumentality of interstate commerce or the mails to sell, provide, or perform any
5 service, in return for the payment of money or other valuable consideration, for the
6 express or implied purpose of improving a consumer’s credit, credit history, or credit
7 rating, or providing assistance to any consumer with regard to any activity or service
8 for the purpose of improving a consumer’s credit.
9
10

11 28.Defendant is a “person” as contemplated by the CROA.

12
13 **a. Violations of CROA § 1679b(a)**

14 29.The CROA, pursuant to 15 U.S.C. § 1679b(a)(3) prohibits **any person** from
15 “mak[ing] or us[ing] any untrue or misleading representation of the services of the
16 credit repair organization.” Additionally, pursuant to 15 U.S.C. § 1679b(a)(4), **any**
17 **person** is prohibited from “engag[ing], directly or indirectly, in any act, practice, or
18 course of business that constitutes or results in the commission of, or an attempt to
19 commit, a fraud or deception on any person in connection with the offer or sale of
20 the services of the credit repair organization.”
21
22

23
24 30. Defendant violated the above referenced provisions of the CROA through its
25 conduct in relation to Plaintiff and relationship with HCR and Mr. Wisniewski.

26 31.Defendant represented to Plaintiff that working with HCR and Mr. Wisniewski
27 would improve Plaintiff’s credit and allow him to receive financing from Defendant;
28

1 however, that was a gross misrepresentation of the nature of HCR and Mr.
2 Wisniewski's services.

3
4 32. Rather than provide any services to Plaintiff, HCR and Mr. Wisniewski took
5 Plaintiff's money and ran, and berated Plaintiff when he attempted to complain
6 about the lack of action, results, and services being provided.

7
8 33. When Plaintiff complained to Defendant regarding the referral and the lack of
9 action being taken, Defendant again referred Plaintiff to HCR.

10
11 34. Upon information and belief, Defendant knows the deficient nature of HCR's
12 services, yet refers consumers to HCR so as to recoup the "kickback" it receives
13 from the upfront payments consumers make for services that are never actually
14 performed.

15
16 35. In essence, Defendant is involved in a scheme whereby desperate and
17 financially vulnerable consumers, who cannot qualify for financing, rely upon the
18 referral to HCR and Mr. Wisniewski and agree to make exorbitant upfront payments
19 under the fraudulent belief the referred services will allow them achieve their dream
20 of receiving financing for a home, despite Defendant knowing the extent to which
21 such representations and promised results are false and will not be delivered.

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23
24 36. Defendant is both a direct and indirect participant in the scheme perpetrated
25 against Plaintiff and consumers and is liable under the CROA for such conduct.

26
27 WHEREFORE, Plaintiff, STEVEN M. CHECCHIA, respectfully requests that
28 this Honorable Court enter judgment in his favor as follows:

- a. Declaring that the practices complained of herein are unlawful and violate the aforementioned bodies of law;
- b. Awarding Plaintiff actual damages to be determined at trial, as provided under 15 U.S.C. § 1679g(a)(1);
- c. Awarding Plaintiff punitive damages, in an amount to be determined at trial, as provided under 15 U.S.C. § 1679g(a)(2)(A);
- d. Awarding Plaintiff costs and reasonable attorney fees as provided under 15 U.S.C. § 1679g(a)(3); and
- e. Awarding any other relief as this Honorable Court deems just and appropriate.

**COUNT II- VIOLATIONS OF THE PENNSYLVANIA UNFAIR
TRADE PRACTICES AND CONSUMER PROTECTION LAW**

37. Plaintiff restates and realleges paragraphs 1 through 36 as though fully set forth herein.

38. Defendant's conduct, at all relevant times to this action, was engaged in "trade or commerce" as defined by 73 P.S. § 201-2(3).

39. The PUTPCPL, pursuant to 73 P.S. § 201-3(a), provides that "[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce . . . are hereby declared unlawful."

40. The PUTPCPL, pursuant to 73 P.S. § 201-2(4) provides an extensive list of conduct that constitutes "unfair methods of competition" and "unfair or deceptive acts or practices," including but not limited to:

1 (ii) Causing likelihood of confusion or of
2 misunderstanding as to the source, sponsorship, approval
3 or certification of goods or services;

4 (iii) Causing likelihood of confusion or of
5 misunderstanding as to affiliation, connection, or
6 association with, or certification by, another;

7 (v) Representing that goods or services have sponsorship,
8 approval, characteristics . . . benefits or quantities that they
9 do not have or that a person has a sponsorship, approval,
10 status, affiliation or connection that he does not have:

11 (vii) Representing that goods or services are of a particular
12 standard, quality or grade . . . if they are of another;

13 (xxi) Engaging in any other fraudulent or deceptive
14 conduct which creates a likelihood of confusion or of
15 misunderstanding.

16 41. Defendant violated the above provisions of the PUTPCPL in much the same
17 way its conduct violated § 1679b(a)(3)-(4) of the CROA.

18 WHEREFORE, Plaintiff, STEVEN M. CHECCHIA, respectfully requests that
19 the Honorable Court enter judgment in his favor as follows:

- 20 a. Declaring that the practices complained of herein are unlawful and violate the
21 aforementioned statutes and regulations;
- 22 b. Awarding Plaintiff actual damages pursuant to 73 P.S. § 201-9.2(a);
- 23 c. Award Plaintiff treble damages pursuant to 73 P.S. § 201-9.2(a);
- 24 d. Award Plaintiff reasonable attorney's fees and costs pursuant to 73 P.S. § 201-
25 9.2(a);
- 26 e. Enjoining Defendant from further violations of law; and
- 27 f. Awarding any other relief as the Honorable Court deems just and appropriate.
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2 Dated: February 22, 2023

Respectfully submitted,

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4 /s/Bobby C. Walker
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5 *Counsel for Plaintiff*
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